

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 1194 - HB 1267**

March 24, 2015

**SUMMARY OF BILL:** Requires each local board of education to adopt academic standards for students in mathematics, science, geography, history, reading, English language arts, and writing. Requires the State Board of Education (SBE) to develop and provide a baseline set of standards for these subjects at least 13 months before implementation. The SBE shall require each local school board to meet with family and community stakeholders to discuss the new academic standards. Requires school boards to submit a final draft of their standards to the Department of Education at least four months before the expected implementation date. Local boards of education may adopt inferior or superior standards. Local education agencies (LEAs) shall continue to receive state and federal funding to provide for the implementation of the academic standards recommended by the SBE, regardless of whether LEAs use the SBE's recommended standards or adopt their own.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures –**

**Exceeds \$617,900/FY15-16**

**Exceeds \$498,600/FY16-17 and Subsequent Years**

**Increase Local Expenditures – Exceeds \$100,000/Permissive**

**Assumptions:**

- The State Board of Education will not be required to adopt new curriculum standards.
- LEAs may adopt different academic standards than those that are adopted by the SBE.
- Though the precise number of LEAs that will choose to adopt their own standards is unknown, the permissive and recurring increase in local expenditures statewide is estimated to exceed \$100,000 in any fiscal year in which LEAs choose to adopt their own standards or are revising their adopted standards. This cost is based on the state costs for the Governor's standards review on English language arts and mathematics.
- The DOE will contract with outside vendors to review the course standards adopted by LEAs. Based on information from the DOE, the increase in state expenditures in FY15-16 is estimated to exceed \$200,000 which includes a review of an estimated 2,354 course standard change reviews in FY15-16.
- In FY16-17 and subsequent years, the recurring increase in state expenditures to review proposed course changes that are adopted by LEAs is estimated to be exceed \$100,000 which includes 1,562 estimated course standard changes.

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- The DOE will create a process for LEAs to submit their standards for review, compile the standards, coordinate the review of the standards among contractors, and compile the results of the review of each course by LEA. The DOE will require one-full time employee and one part-time employee in FY15-16 to facilitate this process. Based on information provided by the DOE, the increase in state expenditures for personnel in FY15-16 is estimated to be \$57,863 for both employees (\$38,575 full-time employee and \$16,288 for part-time personnel) and \$38,575 in FY16-17 and thereafter for one recurring position.
- The DOE will issue diplomas and review transcripts of high school students. The DOE will require at least five new positions to coordinate this work. Each position will be paid \$72,000 in salary and benefits; a total recurring increase in state expenditures beginning in FY15-16 of \$360,000.
- The increase in state expenditures in FY15-16 is estimated to exceed \$617,863 (\$200,000 + \$57,863 + \$360,000)
- The recurring increase in state expenditures in FY16-17 and subsequent years is estimated to exceed \$498,575 (\$100,000 + \$38,575 + \$360,000).
- No change to state standardized assessments.

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Jeffrey L. Spalding, Executive Director

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